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11 Attorneys for Plaintiff

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14 MONTANA NINETEENTH JUDICIAL DISTRICT COURT,  
15 LINCOLN COUNTY

16 STATE OF MONTANA,

17 Plaintiff,

18 vs.

19 Kip Hartman,  
20 DOB: 6/28/1984

21 Defendant.

**MATTHEW J. CUFFE**  
**District Judge**

Cause No. DC-19-75

**AMENDED INFORMATION**

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23  
24 Janell Williams, Special Deputy Lincoln County Attorney for the State of  
25 Montana, charges that on or about January 1, 2015, through May 1, 2019, at  
26 Lincoln County, Montana, the above-named Defendant committed the offenses  
27 of:

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AMENDED INFORMATION  
RE: KIP HARTMAN  
PAGE 1

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**COUNT I**

**Conducting Insurance Transactions without a License (common scheme)**, a Felony, in violation of § 33-1-1509(1), M.C.A.

The facts of the offense are that on or about January 1, 2015, through May 1, 2019, at Lincoln County, Montana, the Defendant sold insurance products without a license to more than one person without being licensed to do so. Specifically, the persons went to the Defendant for tax and/or financial advice. When the Defendant learned of their financial status, he placed them in fixed annuity products, which are legally an insurance product. He lacked a license to do this, and had his wife, who is licensed in Montana, sign the paperwork. The identified victims never met his wife, and the ones who had had minimal contact with her.

Conviction for the offense of **Conducting Insurance Transactions without a License**, a Felony, is punishable by imprisonment in the state prison for a term not to exceed 10 years or a fine in an amount not to exceed \$50,000, or both.

**COUNT II**

**Transacting Business as an Investment Advisor without a License (common scheme)**, a Felony, in violation of § 30-10-201(3), M.C.A.

The facts of the offense are that on or about January 1, 2015, through May 1, 2019, at Lincoln County, Montana, the Defendant reviewed the victims' investment portfolios and encouraged them to sell those portfolios and place them in a fixed annuity product. The Defendant, through his wife who signed on

1 to the fixed annuity products since he was not licensed, then received  
2 compensation in the form of commissions from the companies writing the  
3 business.

4 Conviction for the offense of Transacting Business as an Investment  
5 Advisor without a License, a Felony, is punishable by imprisonment in the  
6 Montana state prison for a term not to exceed 10 years, or a fine in an amount  
7 not to exceed \$5,000, or both.

8 **COUNT III**

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10 **Securities Fraud (common scheme)**, a Felony, in violation of § 30-10-  
11 301(1)(a), M.C.A.

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13 The facts of the offense are that on or about January 1, 2015, through May  
14 1, 2019, at Lincoln County, Montana, the Defendant failed to disclose that he was  
15 not licensed to give advice regarding securities products, nor that he lacked a  
16 license to sell insurance products. The failure of the Defendant to disclose this  
17 information acted as a fraud or deceit upon the victims.

18  
19 Conviction for the offense of **Securities Fraud**, a Felony, is punishable by  
20 imprisonment in the Montana State Prison for a term not to exceed 10 years or a  
21 fine in an amount not to exceed \$5,000, or both.

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23 **COUNT IV**

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25 **Exploitation of an Older Person**, a Felony, in violation of § 45-6-333(1),  
26 M.C.A.

1 The facts of the offense are that on or about January 1, 2015, through May  
2 1, 2019, at Lincoln County, Montana, the Defendant purposely and knowingly  
3 obtained an older person's funds while standing in a position of trust or  
4 confidence with the person. Specifically, the Defendant established a trust  
5 relationship with a person over 65 years and obtained almost \$900,000 having  
6 gained this trust. He also obtained funds after being appointed her power of  
7 attorney which were not commiserate with the work performed because she  
8 trusted him.

9 Conviction for the offense of **Exploitation of an Older Person**, a Felony,  
10 is punishable by imprisonment in the Montana State Prison for a term not to  
11 exceed 10 years or a fine in an amount not to exceed \$10,000, or both.  
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13 **COUNT V**  
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15 **Exploitation of an Older Person**, a Felony, in violation of § 45-6-333(1),  
16 **M.C.A.**  
17

18 The facts of the offense are that on or about December 1, 2015, through  
19 March 26, 2018, at Lincoln County, Montana, the Defendant purposely and  
20 knowingly obtained an older person's funds while standing in a position of trust or  
21 confidence with the person. Specifically, the Defendant established a trust  
22 relationship with a second person over 65 years and obtained over \$120,000  
23 having gained this trust.  
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25 Conviction for the offense of **Exploitation of an Older Person**, a Felony,  
26 is punishable by imprisonment in the Montana State Prison for a term not to  
27 exceed 10 years or a fine in an amount not to exceed \$10,000, or both.  
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**COUNT VI**

**Tampering with Witnesses and Informants, a Felony, in violation of § 45-7-206, M.C.A.**

The facts of the offense are that in May 2019, at Lincoln County, Montana, the Defendant purposely and knowingly attempted to induce or otherwise cause a witness to testify or inform falsely while believing that an official proceeding or investigation was pending or about to be instituted. Specifically, the Defendant spoke with one of the State's witnesses and told her that if anyone called her about the annuities to tell them "you do business with [the Defendant's wife]". The Defendant knew an investigation and official proceeding were pending as this occurred after this Court issued a TRO in the instant case and was aware of the investigation from communications with the CSI.

Conviction for the offense of **Tampering with Witnesses and Informants, a Felony**, is punishable by imprisonment in the Montana State Prison for a term not to exceed 10 years or a fine in an amount not to exceed \$50,000, or both.

**COUNT VII**

**Deceptive Practices, a Felony, in violation of § 45-6-317(1)(b), M.C.A.**

The facts of the offense are that in July 2015, at Lincoln County, Montana, the Defendant purposely and knowingly made false or deceptive statements to a person for the purpose of promoting or procuring the sale of property or services. Specifically, the Defendant purposely and knowingly made false or deceptive

1 statements to a person regarding her existing investments to convince her to sell  
2 them and instead purchase annuities from the Defendant. Moreover, he used  
3 documents which included false information about his business practices to  
4 attract her to the business.

5 Conviction for the offense of **Deceptive Practices**, a Felony, is punishable  
6 by imprisonment in the Montana State Prison for a term not to exceed 10 years  
7 or a fine in an amount not to exceed \$50,000, or both.  
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14 A list of possible witnesses for the State now known to the prosecution is  
15 as follows:  
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17 Lynne Egan

18 Jeannie Keller

19 H.M., T.C., S.K., R.P., S.R., C.M., J.M., G.O., and any other Montana resident  
20 Annuity Purchasers on products produced by Ginny Hartman (the undersigned  
21 has produced this list to opposing counsel)

22 L.B.

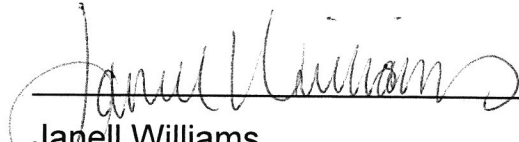
23 W.H.

24 K.P.

25 Any witness needed for rebuttal, impeachment, chain of custody, or foundation  
26 purposes;

27 Any witness listed by Defendant.

1  
2 DATED this 9<sup>th</sup> day of September, 2019.  
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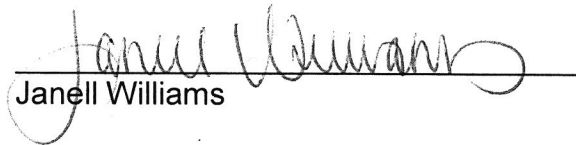
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7 Janell Williams  
8 Special Deputy Lincoln County Attorney  
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## CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was served on September 9, 2019, via email and first-class mail, postage prepaid, to the following:

Shandor S. Badaruddin  
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Missoula, Montana 59801-2514  
Email: shandor@emsblaw.com

*Attorney for Defendant*

  
Janell Williams